

Chair - Luke Spencer Clackamas River Outfitters Vice Chair - Holly Pfortmiller Best Western Rivershore Tessa Koch TMK Creamery & Distillery Katen Patel K10 Hotels, Milwaukie Inn **Brian Crow** Clack.Co. Fair & Events Ctr. Mike Quinn Mt. Hood Ski Bowl Position 7 Vacant **Position 8** Vacant Position 9

Vacant

Feb. 24, 2025

Co-Chairs Helm and Owens, House Committee on Agriculture, Land Use, Natural Resources, and Water Oregon State Capitol Salem, OR 97301

RE: Opposition to HB 2977

Co-Chairs Helm and Owens, and members of the Committee,

On behalf of the Clackamas County Tourism Development Council, the entity charged with overseeing destination management for Clackamas County Tourism (d.b.a. Oregon's Mt. Hood Territory), I would like to convey our opposition to HB 2977 as drafted. Our concern is not with the goals of the bill, but rather with the source of funding identified to support its intent, and with the impact it will have on state and regional tourism efforts, which includes support for nature area stewardship, recovery and resiliency.

In addition to serving as the county's destination management organization, Clackamas County Tourism also serves as the Regional Destination Management Organization, or RDMO, for the Mt. Hood & Columbia River Gorge Region through Travel Oregon's Regional Cooperative Tourism Program. We are also partners in the Willamette Valley RDMO and the Portland Region RDMO.

State transient lodging tax (TLT) dollars, that fund the Regional Cooperative Tourism Program, promote regional cooperation, destination improvements, and enhanced visitor experiences in Clackamas County and surrounding areas. Through regional partnerships and leveraged support, we are able to deploy funds for myriad purposes; destination marketing and development, as well as addressing critical destination management issues and supporting organizations directly engaged in stewardship, recovery and resiliency efforts. Examples include supporting the Trail Ambassador program in the Mt. Hood National Forest, rebuilding of the boardwalk at Trillium Lake, partnering on congestion mitigation solutions around Multnomah Falls and providing asset recovery support for wildfire affected sites in the Clackamas River Corridor.

Increasing the State's TLT will put Oregon and destinations within Oregon at a competitive disadvantage, especially those like Portland that compete for large-scale convention and meeting business. This, while the Portland Region continues to lag behind other regions and peer cities nationally in terms of pandemic recovery. On this point it is worth noting that while TLT revenues have generally recovered since 2020, this is largely an inflationary function. A recent lodging report shows that statewide occupancy for 2024 was still down 7.6% from 2019, with Portland Region occupancy remaining 10.6% down from 2019.

Our concern with positioning Oregon into a less competitive position is that it will dampen tourism activity, which will in turn negatively impact transient lodging tax revenues and the many programs and efforts those revenues do (and could) support.

Thank you for your consideration,

Luke Spencer Chair, Clackamas County Tourism Development Council